

LIBERAL DEMOCRAT GROUP BUDGET AMENDMENTS 2014/15

The City Council is asked to consider the following amendments to the Executive's budget proposal contained in Minute EX006/14, Executive Response to the Budget Consultation and Recommendations for the 2014/15 Budget (Key Decision).

Liberal Democrat Group Proposed Amendment No. 1

Members' Allowances:

Members' allowances are due to increase by 1% in line with the officers pay award for 2014/15. This proposal is to freeze the allowances paid to Members in 2014/15, equating to a total saving of approximately £3,000 per annum, with the saving being used to support staff well-being initiatives e.g. staff healthy living schemes.

Proposed by: Cllr O Luckley

Seconded by: Cllr M Gee

Director of Resources Comments and Impact on the Executive's budget proposals:

The proposal has no impact on the Council's total revenue budget with no changes to the level of Council Revenue Reserves.

The proposal has no impact on the level of Council Tax increase proposed by the Executive.

The proposal has no impact on the Capital Programme proposed by the Executive.

The amendment will result in the following main changes to the Executive's Revenue Budget proposals for 2014/15 as set out in Minute EX006/14:

Schedule 2 – Proposed Budget Reductions

- There would be an increase in recurring budget reductions of £3,000 in 2014/15 onwards.

Schedule 3 – Recurring Budget Increases

- There would be an increase in recurring budget pressures of £3,000 in 2014/15 onwards.

Schedule 5 – Summary Net Budget Requirement

- There would be no change to the total Recurring Revenue Expenditure; however budget reductions would increase by £3,000 in 2014/15 onwards, with a corresponding increase in new spending pressures.

Liberal Democrat Group Proposed Amendment No. 2

City Centre Business Support:

To provide capital funding to reverse the exodus of businesses from the city centre by providing funding to adapt two spare floors of the Civic Centre into bespoke office accommodation and to market their commercial use, together with car parking provision, to attract high skilled businesses. This proposal is to be funded by deleting the Arts Centre scheme from the Capital Programme, due to a continued absence of a cogent business plan, with the resulting revenue savings of £104,000 in 2014/15 increasing to £159,000 from 2015/16 onwards and capital savings of £1,015,000 in 2014/15. This proposal will also generate substantial income from letting the two floors.

Proposed by: Cllr T Allison

Seconded by: Cllr O Luckley

Director of Resources Comments and Impact on the Executive's budget proposals:

The consequences of accepting this amendment is that there will be a net reduction of £104,000 in the revenue budget for 2014/15 with a recurring reduction of £159,000 from 2015/16 onwards. There will be a corresponding increase in the level of overall Council reserves available. Substantial rental income will be generated by this proposal. This has still to be determined. There will be unavoidable costs incurred on the Arts Centre in 2014/15 until a decision is made on disposal/letting e.g. business rates, heating and security. These will need to be determined.

The proposal has no impact on the level of Council Tax increase proposed by the Executive.

The proposal has no impact on the 2014/15 Capital Programme proposed by the Executive other than proposing an alternative capital scheme within existing resources.

The amendment will result in the following main changes to the Executive's Revenue Budget proposals for 2014/15 as set out in Minute EX006/14:

Schedule 2 – Proposed Budget Reductions

- There would be an increase in recurring budget reductions of £104,000 in 2014/15 and £159,000 in 2015/16 onwards.

Schedule 5 – Summary Net Budget Requirement

- Total Recurring Revenue Expenditure would reduce by £104,000 in 2014/15 and £159,000 in 2015/16 onwards.
- Contributions to reserves in respect of recurring commitments will increase by £104,000 and £159,000 in years 2014/15 and 2015/16 onwards respectively.

Schedule 10 – Useable Reserve Projections

- There would be an increase in the level of General Fund/Project Reserve projections of £740,000 by 2018/19.

Procedure Note:

The financial effect of each **individual** amendment is as set out in the amendment presented. However if Council proposed any **combination** of amendments to the Executive budget proposals, then there would be a cumulative effect on the budget and reserves.

Before any amendment is voted on, the Council will give the Director of Resources an opportunity to address the meeting to explain, if necessary, the effect of the proposed amendment under consideration and the cumulative impact of any previous amendments before the vote is taken. They may also agree to an adjournment to enable Members to consider the Director of Resources advice prior to the vote on any amendment.

The procedure, should any amendment be carried, is set out in full at Agenda Item 9 (5) paragraph 3.9 to 3.11.